

**WOLFF-ALPORT CHEMICAL COMPANY SUPERFUND SITE
QUEENS COUNTY, NEW YORK**

PERMANENT RELOCATION COST ESTIMATE

At the request of CENWK and Region II USEPA, permanent relocation estimates are being provided for six business tenants and three residential tenants from the Wolff-Alport Chemical Company Superfund Site.

A site visit was conducted in November 2017 and meetings were scheduled with five of the six business tenants and two of the three residential tenants. Prior to the November meetings and again at the meetings, each tenant was provided with a copy of the Relocation Brochure and the Relocation Data Worksheet; business tenants were also provided with a copy of the Business Occupancy Survey in an attempt to obtain additional information as a basis for this estimate. All documents were provided in English and in Spanish and an EPA translator accompanied us for the meetings. All tenants were requested to complete and return the forms to CENAB-RE.

Only two of the residential tenants returned their completed worksheets. For the remaining residential tenant and the six business tenants, this estimate is based upon observations during the site visit.

For the purpose of this estimate, it is assumed that all tenants will be determined to be eligible for relocation benefits, that each business tenant will reestablish and will be entitled to receive the maximum reestablishment payment, and that each of the residential tenants will relocate to comparable rental units and will receive the maximum rental assistance payment. Estimated costs for each tenant are provided below.

BUSINESS TENANT RELOCATIONS:

Los Primos Auto Body	Maximum Reestablishment Payment	\$ 25,000
	Estimated Moving and Related Expenses	<u>\$150,000</u>
		\$175,000
Terra Nova Restoration	Maximum Reestablishment Payment	\$ 25,000
	Estimated Moving and Related Expenses	<u>\$100,000</u>
		\$125,000
Celtic Custom NYC	Maximum Reestablishment Payment	\$ 25,000
	Estimated Moving and Related Expenses	<u>\$125,000</u>
		\$150,000

Jarabacoa Deli	Maximum Reestablishment Payment	\$ 25,000
	Estimated Moving and Related Expenses	<u>\$150,000</u>
		\$175,000
Primo Flat Fixed	Maximum Reestablishment Payment	\$ 25,000
	Estimated Moving and Related Expenses	<u>\$125,000</u>
		\$150,000
K&M Auto Repair	Maximum Reestablishment Payment	\$ 25,000
	Estimated Moving and Related Expenses	<u>\$175,000</u>
		\$200,000
Sub-Total for Business Relocations:		\$ 975,000
Contingency for Businesses (25%)		<u>\$ 243,750</u>
Total for Business Relocations:		\$1,218,750

RESIDENTIAL TENANT RELOCATIONS:

	Maximum Rental Assistance Payment	\$ 7,200
	Residential, commercial move	\$ 5,000
	Last Resort Housing (LRH) likely (income level)	<u>\$35,000</u>
		\$47,200

	Maximum Rental Assistance Payment	\$ 7,200
	Residential, commercial move	\$ 4,000
	LRH likely (income level & unit not DSS)	<u>\$50,000</u>
		\$61,200

	Maximum Rental Assistance Payment	\$ 7,200
	Residential, commercial move	\$ 5,000
	LRH likely (income level)	<u>\$35,000</u>
		\$47,200

Sub-Total for Residential Tenant Relocations:		\$155,600
Contingency for Residents (10%)		<u>\$ 15,560</u>
Total for Residential Relocations:		\$171,160

TOTAL ESTIMATED FOR RELOCATION BENEFITS:	\$1,389,010
TOTAL ROUNDED TO:	\$1,390,000

A contingency factor of 25% has been applied to the business relocations and a contingency factor of 10% has been added to the residential relocations and both are considered reasonable due to the unknowns associated each. For both the business occupants and the residential occupants, it is likely that there will be a very limited number of available, suitable sites. Although we attempted to obtain additional information from the tenants, only two residential tenants provided information for estimating relocation costs and the majority of business owners have indicated that they are opposed to relocating. The lack of information from the business tenants (to include completed questionnaires, proof of payment of rent, etc.) along with their anticipated resistance to permanent relocation has resulted in budgeting for additional time to be spent facilitating their relocation/removal from the site. In addition, it is anticipated that the residential tenants may each require payments under the LRH provision of the URA.

ADMINISTRATIVE COST ESTIMATE: The following is an estimate of the administrative costs associated with the above relocations:

Relocation Advisory Services*	\$ 36,000.00
Permanent Business [Tenant] Relocations**	\$141,000.00
Permanent Residential [Tenant] Relocations***	\$ 42,000.00
Internal (EPA/SWF/NAB) Coordination	\$ 25,000.00
Office of Counsel Coordination	\$ 24,000.00
Contract for M&E appraisals (\$3,000 x 6)	\$ 18,000.00
Contracting Division Labor	\$ 5,000.00
Travel Costs (8 2-day & 3 3-day TDYs)	\$ 18,000.00
Budget Analyst (process check requests & payments)	\$ 18,000.00
Project Close-out (file prep/closing/mailling)	\$ 9,000.00
Admin/Clerical P2/REMIS Support (5%)	\$ 15,000.00
Real Estate Project Management/Oversight (5%)	\$ 15,000.00
Sub-Total	\$366,000.00
Contingency (20%)	\$ 73,200.00
Total	\$439,200.00

*Relocation Advisory services include: gathering information from tenants, help with questionnaires, informing tenants of benefits, answering questions from tenants, etc.

**Permanent Business Relocations include: issuing notices, obtaining estimates, personal property appraisals, review of estimates and appraisals, determining eligible reestablishment expenses, substitute personal property calculations or direct loss of tangible personal property

calculations, insuring that new locations are up to code, processing and issuing relocation payments, coordinating moves, etc.

*** Permanent Residential Relocations include: issuing notices, identifying comparable (currently available) rental properties, determining rental assistance benefits, obtaining estimates, insuring replacement rental properties meet DSS standards (requires inspection), processing and issuing relocation payments, coordinating moves, etc.

TOTAL COST ESTIMATE:

Estimated Benefits	\$1,390,000
Administrative Costs	<u>\$ 439,200</u>
TOTAL:	\$1,829,200
TOTAL Rounded to:	\$1,830,000

PROBLEMS/ISSUES: At the current time, there are concerns regarding the lack of available sites for the business relocations. It has also been pointed out that there are a limited number of permits issued in NYC for these types of businesses and it can take 1-3 months to be processed and received (during which time, [reportedly] the business cannot be operating at the old location or the new location). If sufficient, available sites do not exist, it could trigger the businesses going out of business and receiving an in-lieu of payment.

To date, there has been a noted lack of responsiveness on the part of the businesses with some stating that they do not intend to vacate willingly. Should this be the case, additional time and additional coordination with EPA and DOJ will be required. This will result in additional decisions being required from EPA, likely with DOJ input, regarding the businesses' personal property (i.e., store? And if so, for how long? Or considered it abandoned personal property?).

Depending on when funding is received and relocations conducted, it should be noted that typically, the worst time with regards to the real estate market and available properties is from November through March. If the relocations are to be conducted during this timeframe, additional delays and complications can be anticipated due to limited property, the winter weather, and holidays.

The residential relocations are likely to require payments under the Housing of Last Resort provision of the URA. This is due to the income levels of the tenants and the fact that one of the apartments does not meet minimum DSS standards (there is no kitchen).